

# L & M DRILLING, INC.

**OIL WELL DRILLING CONTRACTORS**  
**PO BOX 1370 ARTESIA, NEW MEXICO 88211-1370**  
**(505) 746-4405 746-3518 748-2205**

April 8, 1998

Shahara Oil Corporation  
207 W. McKay  
Carlsbad, NM 88220

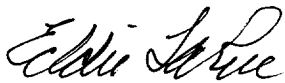
RE: Grayburg Jackson WFU Tr. MB No. 16  
330' FSL & 430' FEL  
Sec. 27, T17S, R30E  
Eddy County, New Mexico

Gentlemen:

The following is a Deviation Survey for the above captioned well.

| DEPTH | DEVIATION |
|-------|-----------|
| 530'  | 3/4       |
| 1037' | 1/2       |
| 1520' | 1/2       |
| 1993' | 3/4       |
| 2510' | 1         |
| 2767' | 1 1/2     |
| 3288' | 1 1/2     |
| 3700' | 2         |

Very truly yours,



Eddie C. LaRue  
Vice President

STATE OF NEW MEXICO }  
COUNTY OF EDDY }

The foregoing was acknowledged before me  
this 8th day of April, 1998.

  
Notary Public

